



RIGHT TO HOUSING

RIGHT TO HOUSING believes that it is government's obligation to assure that all homeless people are sheltered and assisted in their efforts to obtain decent, safe, secure, affordable housing.

1. Homelessness, especially the homelessness of families with children, is a growing problem with moral, social, and political significance. The attached fact sheet briefly outlines some relevant facts.

2. The public policy of our State is clear: homeless people must be sheltered, and homeless families must be sheltered in such a way as to keep parents and children together and to preserve, promote, and strengthen family life. Support for these statements can be found in the pronouncements of all branches of our state government.

- a. It is the longstanding policy of this State that no person should suffer unnecessarily from cold or hunger, or be deprived of shelter.
- b. At the present time, many persons have been rendered homeless as a result of economic adversity, a severe shortage of affordable housing, and increased stress due to the complexity of daily living. [N.J.S.A. 52:27D-281.]
- It is a matter of urgent public concern that safe and habitable shelter be available at all times to all residents of this State. [N.J.S.A. 55:13C-1(c).]
- [It is the] public policy of this State: (a) That the preservation and strengthening of family life is a matter of public concern as being in the interests of the general welfare. [N.J.S.A. 30:4C-1(a).]
- "I believe that, with these steps, our state and our society can move toward the goal outlined by the Task Force, namely that "all persons, regardless of fault, are entitled to the basic human needs for shelter and food and it is the obligation of government to ensure that these needs are met. [Report of the Governor's Task Force on the Homeless, October, 1985, Appendix C.]
- In considering these contentions, we start with the self-evident proposition that a civilized society cannot tolerate the homelessness of those of its members who are too impoverished to provide shelter for themselves. We doubt, moreover, that there is any proposition

currently affecting the welfare of our citizenry which has received more intense and sympathetic attention from every branch of government or which represents a more compelling public policy of this State. (Maticka v. City of Atlantic City, 216 N.J. Super 434 (App. Div. 1987) at p. 447.]

- Thus all three branches of government have concurred in the principle that the prevention of homelessness is a necessary governmental function, at least when all private resources have proved unavailing. [Ibid, at p. 450.]

3. Emergency shelter is often needed not only by those receiving public assistance, but also by individuals and families who are disabled or temporarily unemployed, and by working people - often heads of households - struggling to make ends meet and maintain their independence while earning at or near the minimum wage. Working people and families are currently not entitled to any assistance should they fall through the cracks in the system and become homeless.

4. In a recent decision dealing with assisted families, the Supreme Court raised the question of which state agency would provide emergency shelter of last resort to the homeless:

Obviously, a clear identification of the agency or program of government that is to provide shelter of the last resort to dependent children and their parents (there is confusion in this regard over whether DCA, DHS, or county or local government is ultimately to be responsible to provide shelter of last resort), and a clear statement of the resources that shall be dedicated to that end would do much to clarify the present situation. [Franklin v. N.J. Dept. of Human Services, 111 N.J. 1 (1988) at pp. 18-19.]

The State of New Jersey has yet to answer this question.

5. The state must affirm the value of families by declaring that foster care - the taking of children from their parents - is not an acceptable emergency solution to homelessness.

6. Providing shelter - and ultimately stable, affordable housing - to homeless people, especially families with children, has long-term implications

not only for the adults and children involved, but for society as a whole.

"What's going to happen to these hundreds of thousands of homeless kids? How will they be educated? What lessons are they learning from life - lessons far beyond their immature years? How - or will - they grow up? How can they become contributing members of society?

. . . The notion that government has no role is shortsighted nonsense, for our nation's future depends on our children. They will be our leaders, defenders, and breadwinners. A country that doesn't nurture its children poisons its own well for the future. [Editorial, USA Today, Dec. 24, 1986.]

Homelessness

- New Jersey has between 28,000 and 50,000 people who experience absolute homeless each year. The majority of the homeless (at least 60-70%) are families with children.
- The fastest growing homeless population, both nationally and in New Jersey, is children. The number of working families who are homeless has also increased significantly.
- Evictions continue to be the primary reason for homelessness. Tenancy actions filed in this state have increased more than 415 % since 1967. At that time 40,000 were filed, annually. In 1991, 166,000 actions were filed.
- Nearly 26,000 AFDC families received emergency housing assistance of one type or another in state fiscal year 1991, up 67% over fiscal 1989. Approximately 5,300 of these families (encompassing about 15,000 people) were placed in some sort of emergency shelter. The remaining 20,600 families (comprising over 60,000 individuals) received some form of cash benefits (rent assistance, security deposits, etc.) to prevent or alleviate their homelessness. (The latter category is denominated the "at risk" population. Described as structurally unemployed or underemployed, often living in substandard housing, the state admits that a medical emergency or a missed paycheck easily pushes them into homelessness.)
- More than 4,000 single, unattached adults (probably SSI or GA recipients) were also placed in emergency shelter in fiscal 1991.
- It is estimated that the homeless population in New Jersey will continue to increase at an annual rate of between 5 and 10 percent.
- Despite its acknowledgment of high housing costs, lack of affordable housing, and (for families on AFDC) inadequate welfare grant levels, New Jersey still has no adequate safety net to assist families.
- Working families who are homeless, if they exceed the AFDC eligibility limit, do not even receive Emergency Assistance, and must seek help from non-profit groups and shelters.
- In the end, many families end up with the children in foster care. In 1985, more than a thousand children were placed in foster care because their families were homeless. In 1986, 900 children were placed in foster care for the same reason.
- Homelessness, alone, has been a primary (in some areas of the state, the primary) reason for children going into foster care. Studies indicate that homelessness alone accounts for 15 - 18% of all foster care placements in the state.

POVERTY AND HOUSING

- U.S. Income and Poverty statistics show that the economic gap between the rich and the poor in this country is the widest in 40 years - since the Depression.
- Nearly 20% of the nation's fulltime, year-round workers hold low-paying jobs, up from 12% in 1980. (A low-wage job is one paying less than \$12,195, or about \$6.10 per hour.) Workers under 35 are about twice as likely to hold low-paying jobs in 1990 than they were 10 years ago.
- New Jersey lost more than 250,000 jobs between 1988 and the end of 1991.
- In 1980, the median sales price of a home in New Jersey was \$58,000; the national median was \$62,000. By 1989, the N.J. median had risen to \$142,000, while the national median had only increased to \$89,000.
- During the 1980s rents rose by more than 80 percent in New Jersey, also outpacing the rate of increase nationally.
- To pay the rent and provide minimally adequate levels of other necessities, a family of three in New Jersey would have to earn about \$17,000 per year, or more than \$8 per hour. (See attached budget.) A minimum wage worker earns approximately \$10,500 annually. A family of three receiving public assistance (AFDC) receives \$424 cash per month, or about \$7,000 per year if food stamp benefits are included.
- Nearly 400,000 people in New Jersey are receiving public assistance.
- In the three years between 1988 and 1991, foreclosures in New Jersey tripled, from 8,182 to 23,575.
- Of the 675,000 households in New Jersey that have housing problems, all but 77% are low-income (earning less than 50% of the state median, or \$23,000 for a family of four). More than 80% of housing problems involve people paying higher housing costs than they can afford. Nearly 200,000 households in New Jersey pay more than 50% of their income for housing.
- Only 30% of all low and moderate income households in N.J. that need some form of housing assistance are able to obtain it. The DCA-administered Section 8 Program has a waiting-list of 31,000 households.

Family Budget
(Working Single Parent, Two Infant Children)

	<u>Monthly Expenses</u>
Food and Household Supplies (\$75 per wk x 4.3 weeks) (includes paper products, diapers, laundry supplies and expenses, household cleaners, etc.)	\$325
Medical/Dental (No Insurance)	30
Transportation (\$2 per day for bus)	60
Loan Repayment (Time purchases of appliances, etc.)	15
Clothing (includes shoes, coats, etc.)	30
Rent & Heat (2 bedroom apartment)	625
Utilities (phone, electric)	60
Miscellaneous (\$2 per day) Stamps, haircuts, snacks, parking, school activities/supplies, newspapers, birthdays, Christmas, entertainment, etc.	60
	<u>\$1,205 per month</u> in cash

Income Needed to Cover Above Expenses

\$1,205 x 12 months = \$14,460 per year in take-home (net) pay.

Gross Pay (after factoring in \$700 earned-income credit) needed
to achieve required net = \$17,420

- a) \$335 per week
- b) \$8.38 per hour (40 hr. week)
- \$9.57 per hour (35 hr. week)

This analysis assumes:

- (1) Such jobs are available to all who want/need them.
- (2) Public transportation exists and is accessible. (If not, at least \$30 per month must be added for car insurance, plus another \$30 (at least) for tires, oil, routine maintenance.
- (3) No serious health/dental problems (broken bones, chronic conditions, flu/pneumonia, etc.)
- (4) No temporary layoffs or work stoppages.
- (5) No car repairs (assuming a car is a necessity, which it is in many suburban communities)
- (6) No family problems and related expenses

Budget does not include:

- Child care (at least \$300 per month for 2 children)
- Car payments
- Health insurance (at least \$60 per month)
- Life insurance (\$10 per month)
- Savings of any sort (No reserve for replacement of car or appliances, no cushion for emergencies, no "safety net")